ORGANIZING CHANGE FROM THE INSIDE OUT

Emerging Models of Internal Collaboration in Philanthropy

Prepared for The Surdna Foundation

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FOREWORD

In the field of philanthropy, collaboration has become a popular strategy. Collaboration is often pursued as a way to become more effective or more efficient – or both. But until now, most interest has been focused on external partners. Little attention has been paid to improving collaboration within our own institutions. This report, "Organizing Change From the Inside Out: Emerging Models of Internal Collaboration in Philanthropy," is an attempt to sharpen our understanding of collaboration by showing how we can develop collaborative strategies within our organizations.

With this report, we hope to spark a broader inquiry across the field of philanthropy and a deeper investigation within particular foundations into the practice of internal collaboration. Connecting the expertise and wisdom of diverse fields of inquiry has been shown to hold great promise in science and industry. Likewise, cross-program collaboration within foundations may also achieve exciting new results within philanthropy.

Grantmakers in every field and in every region are devising new ways to find working partners. Foundations and government agencies engage in public – private partnerships to deliver educational, social and cultural services. Foundations devote more and more attention to their relations with grantees, seeking to make the grantor - grantee relationship a true collaboration. And, of course, grantmakers are paying increasing attention to collaborations between and among foundations.

Foundations have developed a wide range of collaborative methods and styles. In a recent report for the Funders Network for Smart Growth, Ralph Hamilton lays out the various approaches where foundations work with one another. "Moving Ideas and Money: Issues and Opportunities in Funder Funding Collaboration" charts the continuum of funder to funder collaboration, from information exchange to strategic alignment, all the way to joint funding and pooled funding arrangements. There is a widespread view that foundations are not effective at collaboration, but Hamilton's paper suggests that the practice of collaboration among foundations is becoming more popular and widespread.

At the same time, cooperation and collaboration within foundations remains comperatively haphazard as few foundations make a conscious effort to promote collaboration across program lines. As a consequence,

program staff have few guidelines about when it is appropriate or necessary and how to do it well. Success is often a product of chance and circumstance.

While it has not been a common practice, it may be that some of the most fruitful collaborations could take place within foundations; where the expertise in two different programs can bring a new and more powerful solution that would not be evident from either perspective in isolation.

There is a growing awareness that philanthropy has become highly specialized to a fault; broken up into discrete program silos that are too often weak and hermetic. In part, this approach to philanthropy mirrors the organizational form of academia and it brings with it the strengths and weaknesses of the model. Creating highly specialized programs with expert oversight enables foundations to support the most highly qualified work in a particular discipline. But as in academia, when programs are too specialized it is hard to break down the silos. As a result, it can be hard to engage in effective collaboration across programs.

At the Surdna Foundation, cross program collaboration is permitted and, to some extent even encouraged. One sticking point is that program fields were created without the idea of mutually leveraged activity in mind. As a consequence, collaboration across programs is pursued opportunistically, largely through the initiative of program staff who can see a potential connection with other programs and the value of working together.

In some cases, program staff will confer about a prospective grant where the purpose of the project in question overlaps two or more program areas but where the grant is ultimately made through only one program. In other cases, cross-program grants are approved with funds drawn from two programs simultaneously. In such cases, program staff from both areas are necessarily involved.

Surdna support for Coastal Enterprises, a community development corporation in Wiscasset, Maine is a good example. Not only has Coastal Enterprises spurred economic development to the tune of $400-million in its 25 year history, it has also pursued environmental objectives as well, appealing both to Surdna's Community Revitalization and Environmental programs.

Along the same lines, Surdna's involvement in the Funders Network for Smart Growth reflects the dual interests of the Foundation's Community Revitalization and Environment programs. The Funders Network is an affinity group for grantmakers concerned about the damage of suburban sprawl, both from an environmental perspective and as it relates to erosion of healthy communities. From the outset, program staff from both areas have been deeply involved in the network.

Likewise, grants from the Effective Citizenry and Nonprofit Sector Support Programs have been crucial in the development of YouthNOISE, one of the strongest online channels for young people to speak their minds and become involved in their communities. Beyond the significant financial contribution, $900,000 over three years, YouthNOISE has benefited from the Effective Citizenry staff's expertise in youth activism as well as the Nonprofit Sector Support program's depth of experience in supporting leading nonprofit Internet projects.

The Arts program and the Community Revitalization program, provided joint support for Project Row Houses, an organization bringing artists and arts programming to Houston's Third Ward to spark revitalization in this low-income community. Important to the question of collaboration in this case is the persuasive influence that one program had on another's knowledge of, and interest in, Project's Row Houses. Normally, Surdna's Community Revitalization program would not be likely to support a local project designed to serve the small numbers affected by Project Row Houses. But the extraordinary artistic and cultural value of the organization's work justified dual program participation.

Surdna program staff members agree that cross program collaboration is possible because the Foundation is relatively free of bureaucratic impediments. But these examples should not give a false impression that undertaking cross program grantmaking is easy and straightforward. In reality, there are significant obstacles, even at Surdna.

It can be hard to carve out the time and attention needed to move collaborative projects forward on a timely basis. Simply scheduling meetings with more than one program can be complicated. And it can be difficult to manage multiple lines of communications, where each program has its own grantmaking timetable. More to the point, it can be hard to assign accounta-

bility for successes - and failures – meaning that the normal incentive of recognition is somehow muted in collaborative situations.

Even so, we at the Surdna Foundation board and staff alike believe that we can achieve more when our programs are working closely together than when we work in isolation. And we hope that this report begins a serious inquiry to improve cross program collaboration in philanthropy.

Vincent Stehle
Program Officer for Nonprofit Sector Support

Edward Skloot
Executive Director

Frederick F. Moon III
Chairman, Nonprofit Sector Support Committee

EXECUTIVE SUMMARY

OVERVIEW

The Hybrid Vigor Institute is a research organization dedicated to solving complex social and scientific problems which require input from a broad range of expertise, and thus have overwhelmed the capabilities of traditional, specialized methods of inquiry and organizational hierarchies. The core of the Institute's work is to both record and improve the methods used by specialists and subject experts to communicate effectively across the boundaries of their expertise.

Our focus for this report on intra-organizational collaboration resulted from our desire to improve the quality and effectiveness of grantmaking for these increasingly complex problems. The trend towards collaboration between foundations and other external partners has been well documented; such partnerships were not the focus of this research. Instead, we believe the present situation highlights an increasingly urgent need to understand the practice of collaboration within philanthropic organizations; specifically, if and how it might increase the overall quality of grantmaking. This report, then, examines the notion of intra-organizational collaboration: the internal networks of individuals, teams, and programs within a foundation.

Data was gathered from interviews with 29 representatives of 17 foundations, and from conversations with nine philanthropy consultants and/or researchers. Questions around "why" or "when" to collaborate, although clearly important and valid, were generally outside the scope of this report: instead, we bounded our research with the assumption that intra-organizational collaboration is both valuable and desirable. We likewise limited our sample to relatively large, private foundations that had experience with the practice of internal collaboration, albeit with significant differences on other organizational dimensions. As a result, despite its size and initial boundary conditions, our sample represents a range of organizational type, size, geography, purpose, approach and focus. Interview data were supplemented with data from foundation documents, including annual reports, budget memos, grantmaking guidelines, etc. In addition, multiple perspectives were sought within each foundation when possible.

Given that the practice of such collaborations is not sufficiently formalized to yield an answer to how internal collaboration affects grantmaking, we focused on more preliminary issues: What are the emerging forms of intra-organizational collaboration within philanthropic foundations? and Are these internal collaborations affecting the process and performance of grantmaking?

Nevertheless, it seems clear that If foundations can learn to effectively connect their many "silos" of knowledge, activity, and resources, they can create the kinds of networks of synergy that have catapulted scientific discovery, as well as some of philanthropy's for-profit organizational kin, to new levels of innovation and productivity. We believe that the results of this empirical study, as preliminary as they may be, are a strong and positive indicator of the possibilities and potential for such a change. We are convinced that further study and more iterative practice will provide the proof.

Although the forms and effects were varied, the interviews revealed large areas of agreement about the need for, difficulties of, and issues with intra-organizational collaboration. The result is a collection of cases demonstrating foundations' unique experiences with the practice, from which some preliminary, general themes can be identified.

COMMON COLLABORATIVE STRATEGIES

From the data collected, it appears that foundations deploy, (or wish to deploy,) four dominant and overlapping collaborative strategies to improve the efficiency and/or effectiveness of grantmaking:

- Merging programs and consolidating expertise in fewer, more integrated areas that enhance the foundation's mission;
- Connecting subject area experts with functional or technical experts (e.g., communications, evaluation) across program areas, rather than isolating them in program-based hierarchies;
- Enhancing staff learning, expanding the nature of their work experience, and providing them with sufficient resources to make an impact in their work by connecting them with other resources (e.g., fiscal, infrastructural, human); and,
- Creating a network of people with both specialized and general knowledge, facilitating a holistic response to complex grantmaking problems, both new and old.

For all of the foundations in our sample, the common end-goal, despite what might be slightly different initial objectives and sometimes completely different intermediate models, has been to improve grantmaking by concentrating resources on a few integrated targets of interest, rather than dispersing them in support of a multitude of distinct program areas.

TYPES/MODELS OF INTRA-ORGANIZATIONAL COLLABORATION

The following typology emerged from the data, based primarily on the different structural and cultural forms of intra-organizational collaboration in our sample of foundations. Six key models have been identified on this basis. However, each has various iterations, and may differ across many variables, even beyond those presented here.

Nevertheless, as a starting point, this typology identifies the dominant organizational models by illustrating the variations in key characteristics between them, and are generally arranged from the more superficial to the more substantial forms of intra-organizational collaboration.

The 'Personal Interest' Model › This first model in our typology refers to a form of collaboration that has not been formally incorporated into the traditional structure of the foundation. In this model, collaboration depends on personal interests and interactions between staff, rather than on organizational processes and procedures. For example, a staff member may champion a proposal or project, either in an opportunistic quest for monies or in a serendipitous search for partners. The object as well as the objective of this type of collaboration is generally reactive, project-based joint-grantmaking activities rather than proactive strategic planning actions.

The 'Underlying Issue' Model › Like Personal Interest, the Underlying Issue Model tends to flourish in small foundations and is generally not embodied in the organizational structure of a foundation. Unlike Personal Interest, collaboration tends to be explicitly incorporated into the foundation's philosophy rather than simply enacted by its staff. The central purpose of collaboration centers on organizational learning and collective vision, not individual programs or personal projects. Despite its informality, Underlying Issue projects have greater potential to rise to higher levels of coherence and funding, instead of falling through the cracks between programs and people as is common to Personal Interest.

The 'Secondary Engagement' Model › This model is the first in the typology where collaboration is formally incorporated into the organizational structure of a foundation. However, despite some level of structural accommodation, it is generally not construed as a core function of the organization's work. Rather it is often seen, at best, as a complementary objective or, at worst, as a subsidiary task within a foundation's core program areas. This is a critical distinction. While often initiated at the inspiration of senior management, collaboration is not always financially or structurally supported at the executive level. As a consequence of these two characteristics, collaboration is often not actively practiced by staff.

The 'Team Player' Model › In previous models, collaboration has been mapped onto traditional foundation arrangements. By contrast, the Team Player model requires a certain degree of restructuring on the part of the foundation, as the team replaces the program area and/or department as the fundamental structural and cultural unit of the organization.

Collaboration here is usually the by-product of an executive decision and/or a strategic planning review. The objectives of this model are far more linear than those we have seen above: first, to become a more efficient grantmaking entity through the exchange of information, the coordination of ideas, and the co-mingling of investments via teams within and between programs; and the second objective — a consequence of the first — is to become a more effective grantmaker.

The 'Catalytic Converter' Model › As with Secondary Engagement and Team Player models, collaboration under the Catalytic Converter model has been formally incorporated into the organization's structure and culture. Collaboration is always problem-driven, but may also be staff-initiated or executive-inspired. The long-term goal of collaboration is to improve both the process and the performance of grantmaking. However,this model is often more immediately concerned with using collaboration to identify effective grantmaking strategies rather than to improve efficiency. Collaboration in this model is accomplished through a centralization of efforts and a concentration of experts. It is about developing new ideas, tools, and approaches around a project, and then diffusing them back to the programs.

The 'Integrated Systems' Model › The last model in our typology is the Integrated Systems model. Distinct from the other approaches, this is a

"systems" approach to collaboration that requires integration. In this model, collaboration occurs through, and is enabled by, a common set of axioms and interactions by which the entire organization operates. Unlike previous models, collaboration is about the whole foundation driven by a common purpose. It is about framing a problem, agreeing on a strategy, and implementing a solution as a symbiotic and synergistic system. The goal of collaboration is to simultaneously increase both the efficiency and the effectiveness of the organization's grantmaking.

THE CONDITIONS OF INTRA-ORGANIZATIONAL COLLABORATION

While the foundations in our sample have followed a series of different objectives and yielded a range of models of intra-organizational collaboration, they were motivated by the common goal of transforming their grantmaking entities from traditional silos of activity (Column A) to innovative networks of interactivity (Column B) to improve the impact of their grantmaking strategies.

A (Traditional Silos)	**B (Collaborative Networks)**
Fragmentation of organizational pieces	Alignment of organizational processes
Departmental programs	Team projects
Narrowly defined jobs/ positions	Comprehensively designed jobs/positions
"Individual foot race"	"Team triathlon"
Constrained "silos"	Distributed "networks"
Isolation	Interaction
Control and competition	Communication and cooperation
Information monopoly	Information panoply
Upward mobility	Horizontal flexibility

The final section of the study highlights various influential , context-based-factors that emerged from the foundations in our sample as they have attempted to transitions from Column A (silo) to Column B (network), and the effects that these variables had on the forms and effects of these models in terms of the foundations' grantmaking entities and strategies.

ORGANIZATIONAL VARIABLES

Given the size of our sample and the nature of the data we gathered for this report, our aim is not to be exhaustive or to draw overarching conclusions about all the conditions and dynamics that shape intra-organizational collaboration. Rather, we aim to be provocative by introducing only those that appear to be most salient and prominent. What follows, then, is a summary of some of the more relevant variables affecting the form and effects of different intra-organizational collaboration models, to serve as a starting point for further exploration.

Authority › Not surprisingly, how intra-organizational collaboration is practiced and its effects are strongly dependent upon organizational authority, both in terms of the structure of hierarchy and the nature of leadership. As obvious as that may sound, what is surprising is how many of those interviewed overlooked or obscured its importance. Foundations that have experience with flat hierarchies, rules and directives, joint problem-solving procedures, and group decision-making structures are much more likely to deploy integrated models of intra-organizational collaboration that are more formal in procedure, broader in span, and grander in objective.

Size › Exploring the data on this variable presents a paradox. On one hand, some responses and observations suggest that collaboration is better suited to smaller foundations, where closer interpersonal relationships are more conducive to informal alliance building. However, other responses and observations indicate that the objectives of collaboration tend to be better served within larger foundations where there is often a broader range of skills and a greater diversity of knowledge available simply by virtue of a larger staff. This is closely related to diversity, below.

Diversity › Organizational diversity may be the most complex and complicating variable for internal collaboration. As a general rule, collaboration is easier in smaller organizations, since all the players know each other, but has greater measurable benefits in more diverse organizations. Smaller foundations are, almost by definition, less diverse than large ones. Still, while a diversity of skills and perspectives is often what complicates the practice of collaboration, it is also what often positively compounds the effects.

Staff Quality › How, and how well, collaboration works inside foundations is dependent in large part on staff experience and expertise. Staff with more experience working in collaborative or team environments are more likely to see collaboration, consciously or unconsciously, as a part of their primary roles and responsibilities. Thus they serve naturally as "bridges," or ties between individuals and program areas, and increase the likelihood that collaboration will be more formally incorporated into an organization. However, the extent to which this model can actually be implemented depends not only on the previous qualifications of the staff, but also on the present quality of their work and their work life; i.e., are they efficient and fulfilled? Again, this seems rather obvious on paper, but is actually somewhat obfuscated in practice.

Rewards › While all of the foundations in our sample identified "reward" as one of the most critical conditions to establish, they also articulated it as one of the hardest to accomplish. While old reward systems are based on measures of individual success and achievement, new reward systems must be framed around group strategies and accomplishments. This is neither easy nor simple. To be successful, these new reward systems must create meaningful incentives, beyond rhetoric and lip service, that inspire substantive integration of collaborative work practices. This will require new timescales for projects, as well as other new metrics by which to measure staff performance.

Infrastructure › A final variable is the establishment of the right organizational infrastructure — physical, financial, and/or technological — for collaboration. This means that a foundation must be willing to shape the work environment in a way that will best address the inherent challenges proactively. No foundation in our sample has established a dedicated infrastructure for collaboration. Two have incorporated the use of a simple internal computer network that encourages communication between program officers, and have adopted the concept of more fluid "funding pools" over rigid financial structures. Perhaps the most innovative form proposed is one foundation's "study group" infrastructure. When implemented, it will allow the organization to snap together a network of people, skills, and perspectives for each specific grantmaking problem. As one foundation director stated,

"It is the advantage of the Hollywood model of the 21st century versus the industrial model of the 20th," where resources are deployed on a per-case basis.

CONCLUSION

Based on the data collected for this report, creating integrated, collaborative networks for more efficient and/or effective grantmaking is clearly much easier to explain than to acheive. That said, what we found of great interest was how obvious some of the conclusions are. Committed leadership is key, rewards are essential, an organization's infrastructure both drives and reflects the desired outcome. Yet still these network-building efforts are struggling to catch a spark. We believe this is because while the necessary conditions for success are obvious, the most useful methods for creating these conditions are not. This demonstrates the need for more focused strategic planning and organizational learning.

There is no social issue that any foundation in the U.S. can solve on its own that does not require partnership across foundations and between government, private sector, philanthropy, etc. … However, without internal integration as well as external partnerships, we are leading only with dispersions of money and not with coherence of mission.

Chief Executive Officer and President, major U.S. foundation

Introduction

Just as scientists use interdisciplinary methods to answer fundamental questions, and the private sector creates alliances to improve market performance, non-profit organizations have begun to form partnerships to achieve social change. The research presented here addresses how foundations organize themselves internally to facilitate productive collaborations within their organizations and with other foundations.

Based on interviews with foundation representatives, researchers and consultants, and the analysis of annual reports and other documents, we identified six models that foundations have employed to foster internal collaboration. We evaluated each model according to two criteria: their efficiency and their effectiveness in realizing philanthropic strategies. We surveyed structures and systems, tools and technologies, processes and procedures that the studied foundations employed, whether introduced independently or in conjunction with external alliances.

We began with two hypotheses. That internal collaboration is critical to the efficiency and effectiveness of any philanthropic foundation; and, That different models of internal collaboration will have varying degrees of impact on organizational performance. To explore these hypotheses, we considered issues pertaining to individual duties, positions, resources, constraints, expectations and rewards. In comparing foundation efficiency, we looked at the foundation's goals, and whether and to what extent a foundation acheived the goals.

Combining these inquiries about operations and objectives, our initial driving question became:

> › How are emerging forms of collaboration within philanthropic foundations affecting their efficiency and effectiveness as grantmakers?

In trying to answer this, we found that such models are too early in their development to examine their results. Thus, we settled on answering the more preliminary "what" question:

> › What are the emerging forms of collaboration within philanthropic foundations?

After identifying the six forms of internal organization, our focus became:

> › Are these forms of internal collaboration having an effect on the foundations' efficiency and effectiveness as grantmakers?

Approach and structure of the study

This study explores rather than evaluates the observed models of internal collaboration, using inductive and impartial methods of data collection and analysis to address our two hypotheses and answer the ensuing questions.

This is not a comprehensive analysis of the field of philanthropic organizations. Instead, we used semi-structured data collection protocols to delve deeply in a small sample of foundations. We gathered the information from interviews with 29 representatives of 17 foundations and from conversations with nine philanthropy consultants and/or researchers. We have changed the names of the foundations to encourage candor. For the same reason, the identification of mission statements, program area names, and project lists have been paraphrased rather than quoted precisely.

We constructed the sample of foundations using purposive sampling methods to ensure that all had some experience with internal collaboration, but significant differences on other dimensions. The foundations represent a range of different organizational types, sizes, geographies, purposes, approaches and foci. To identify consultants and researchers, we

used "snowball," or referral, sampling methods. Each foundation sampled had extensive expertise with issues of organizational change and/or development as they apply to philanthropy. We supplemented the interview data with information collected from foundation documents, including annual reports, budget memos, grantmaking guidelines, etc.

For obvious reasons, these sampling methods run the risk of reporting bias and informant distortion. In addition, respondents sometimes conflated or confused the term we used in the interviews, "intra-organization collaboration," with other terms or tactics. To control for these liabilities, we sought multiple perspectives in each foundation when possible, and conducted multiple readings and cleanings of the interview transcripts as required. We also sought to include examples where internal collaboration models were less than successful. Despite the sample variation, the interviews often revealed large areas of agreement about the need for, the difficulties of, and the issues with internal collaboration. The ensuing collection of stories about foundations' unique experiences offers general themes, but not general statements. These results lay the groundwork for future inquiries into how various types of internal collaboration should be adapted by foundations in order to achieve the greatest impact on the processes and the performance of their grantmaking strategies.

The Emergence of Internal Collaboration

According to the Drucker Foundation's recent publication, *Meeting the Collaboration Challenge Workbook (2002)*,[1] the term "collaboration" refers to "relationships that provide opportunities for mutual benefit and results beyond what any single organization or sector could realize alone." For our purposes, we have modified that definition to refer to "relationships that provide opportunities for mutual benefit and results beyond what any single *individual, discipline, program, team or other sub-organizational unit of work* could realize alone."

1 Peter Drunker, James Austin, and Frances Hesselbein, 2002, *Meeting the Collaboration Challenge Workbook: Developing Strategic Alliances Between Nonprofit Organizations and Businesses* (New York: Peter F. Drunker Foundation for Nonprofit Management).

The need for intraorganizationa internal collaboration

The modern foundation appeared as an organization at the turn of the 20th century, founded on personal monies and organizational models rising from the Industrial Revolution. Informed by Fordist theories of assembly line production, the modern foundation, like the modern corporation, was divided into narrow and bounded program areas. Today, the strategies of most foundations are still determined by fixed projects, budgets, and staff allocated between, rather than integrated across, these structural divisions. The result is similar to divisions within the university, where every section of the production line – each disciplinary unit or department – has a specific focus or function that it is expected to perform in perpetuity and in isolation from others.

As Albert-László Barabási writes in his new book *Linked: The New Science of Networks (2002)*, "reductionism was the driving force behind much of the 20th century's research [and] we have been forced to see the world through its constituents." He writes that we are now close to knowing just about everything about the parts, but are as far as we have ever been from understanding the whole. For Barabási, "the reason is simple. Riding reductionism, we run into the hard wall of complexity."[2]

From the new dimensions of complexity, scale and uncertainty, calls to expand and transcend the boundaries of specific disciplines – from the public and private sectors, to funding agencies and researchers – have escalated. Horizontal, cross-boundary thinking in corporations, academia, philanthropy and beyond is not only co-equal to vertical, bounded thinking, it is its completion; its required partner in the dance.[3]

The Network Era, as Barabási calls ours, has revealed the limits of Fordism and reductionism. Yet, the residual Industrial Age mentality is still obvious in academia's approach to interdisciplinary research and in philanthropy's approach to inter-programmatic grantmaking.

2 Albert-László Barabási, 2002, *Linked: The New Science of Networks* (Cambridge, MA: Perseus Publishing), p.6.
3 Denise Caruso and Diana Rhoten, April 2001, "Lead, Follow, Get Out of the Way: Sidestepping the Barriers to Effective Practice of Interdisciplinarity. A New Mechanism for Knowledge Production and Re-Integration in the Age of Information," *Hybrid Vigor White Paper*, ‹ http://www.hybridvigor.net/interdis/pubs/index.html› [accessed May 19, 2002].

Monodisciplinary departments and studies continue to thrive in the university, just as 'siloized' program areas and grantmaking do in the foundation. While these bounded, traditional structures and strategies may have once served theoretical and practical purposes, they now hamstring the modern foundation's ability to respond systematically to everyday challenges.

Different forms of internal collaboration – ranging from inter-programmatic funds and cross-cutting initiatives to interdisciplinary teams and integrated systems - can help foundations improve their grantmaking processes and performance in one or more of the following ways:

› Enhance organizational learning and innovation by increasing the sharing of information about a foundation's initiatives across program boundaries. This will require conceptualizing new ways for capturing, archiving, tracking, synthesizing, and disseminating organizational knowledge.

› Enhance specific foundation initiatives where financial and technical coordination between program areas could fund solutions that treat all, rather than part of the targeted problem. This will require constructing new ways for individuals and institutions to create a common ground for program selection, financing, administration, and assessment.

› Allocate resources for incubating ideas and networking activities among different programs in order to develop treatments responsive to the increasingly complex social, political, cultural, and economic environment. This will require creating new types of professional structures, arrangements, and relationships, as well as setting aside new pockets of monies for non-categorical purposes.

The philanthropic community's biggest challenge is to transform its many 'silos' of knowledge and activity into the "networks" of synergy that have catapulted some of the community's for-profit organizational kin to new levels of productivity, efficiency and efficacy.

The reasons behind Internal collaboration

The data collected here suggest that foundations share several rationales for investigating and/or implementing internal collaborations. We have aggregated and summarized them into the following four objectives, all focused on improving the efficiency and effectiveness of grantmaking strategies:

› Improve efficiency by merging programs and consolidating expertise in fewer, more integrated areas that best serve the foundation's mission;

› Improve efficiency by integrating content-oriented and function-based skills across program areas;

› Improve effectiveness by enhancing staff learning, expanding their work experience, and empowering them with the resources to make an impact; and,

› Improve effectiveness by creating a network of both specialized and "generalizable" knowledge that enables the foundation to respond to complex problems in a holistic, integrated manner.

The common end-goal, despite slightly different initial objectives and even completely different intermediate models, has been to concentrate resources in service of a few integrated targets of interest rather than dispersing them across a multitude of distinct program areas.

The Forms of Internal Collaboration

The range of internal collaboration models was broader than we initially anticipated, and was also more idiosyncratic. Some emerged from a particular historical context, some responded to a current set of circumstances. Some grew organically from longstanding work relations, while some were imported by new leadership. Some are the products of methodical inquiry, others of spontaneous interest. Some are formal, others informal. Some involve cross-functional teams, others cross-organizational themes. Some emphasize financial contribution; others expect personal commitment.

Typological models of Internal collaboration

The following typology that emerged from the data provides an overview of different models of internal collaboration. It is based primarily on the foundations' different structural and cultural forms for such collaboration. We identified six key models on this basis. However, within each model, the foundations varied according to the above characteristics. Models can, and do differ across variables beyond those presented here as well. Refining the typology will require further study, using: (1) A larger sample and inferential statistics to address questions about the stability, reproducibility, and "generalizability" of these models across philanthropic organizations; and (2) A small sub-sample and a thicker ethnography to clarify complex issues and ensure the reliability, objectivity, and validity of the data.)

This typology also identifies the dominant models of internal collaboration by illustrating the variations in key characteristics among them. Rather than a linear continuum, the types presented below occupy distinctive niches within a larger ecology of philanthropic approaches and tools.[4] In general, however, the models here are arranged from the more superficial to the more substantial. The primary characteristics of these models are summarized in Table 1.

4 Ralph Hamilton, February 27, 2002, "Moving Ideas and Money: Issues in Funder Collaboration" (Prepared for The Funders' Network for Smart Growth and Livable Communities), 5.

The Personal Interest Model

In this model, internal collaboration has not been formally incorporated into the traditional structure of the foundation. Instead, collaboration depends on personal interests and interactions, not on organizational processes and procedures. While examples may differ along some dimensions, the common and predominant features of the model are captured in the following description.

Collaboration in this model is generally not a required or expected part of staff roles or responsibilities, but depends on personal initiative. It tends to be driven by happenstance, and to occur via "informal" practices and processes on a project-by-project basis. For example, a staff member may champion a project, either in an opportunistic quest for monies or in a serendipitous search for partners. The object and the objective of this type of collaboration are generally reactive, project-based, joint-grantmaking activities rather than proactive, organization-wide strategic planning actions. The personal Interest Model is currently reflected in the following vignettes describing the collaboration strategies of the Phrankel Foundation and the Bickert Family Foundation.

Phrankel Foundation

The private Phrankel Foundation was established mid-20th century. Although large in assets (about $4 billion), the Foundation has a small program staff (about 20) managing the organization's seven diverse program areas, ranging from education and community development to performing arts and population. According to members of the executive staff, "the strongest rationale for keeping the staff so small is collaboration." At the Phrankel Foundation, collaboration depends on "collegial interchanges" rather than organizational infrastructure. As one senior staff member reported, "most of the collaboration that goes on here happens as a result of a lot of hall-walking and with a result that is sort of like horse – trading." One program director recounted that he "went around looking for where there could be a link and where there could be support for his program's work."

As informal as such practices might be, the effects of collaboration are noticeable. For example, by the turn of the 21st century, 33 grants (44% of the total projects, and approximately 35% of the total grant monies) administered by one of the foundation's seven program areas were developed in collaboration with other program areas. Project topics ranged from the use of distance education technologies in developing countries to environmental work in border regions and comparative migration studies.

Collaboration at the Phrankel Foundation also occurs through informal processes, including the documents exchanged between program directors, and docket meetings in which they participate. One staff member said that "opportunities for teamwork are informal and voluntary, but they are key to the way the Foundation works because even where we are not doing joint grantmaking, we are collaborating intellectually."

Beyond the long-term personal and professional relationships at Phrankel, collaboration has also been advanced by the unique and formalized position of the Fellow. Established a few years ago, the Foundation's Fellow Program has become "a trigger for new collaborations as well as a lever of old ones." Currently, four Fellows serve one-year appointments in a variety of assignments, from helping the Foundation's president on philanthropic issues and developing the Foundation's due diligence processes, to helping focus program issues. The Fellows work across the organization, cross-fertilizing among different people and programs like honeybees.

Because "problems no longer meet the structure of the organization," the Foundation has been actively looking for ways to increase inter-programmatic collaborations. Phrankel has identified several promising areas of future collaboration that cut across the Foundation's program areas, including: universal basic education, community nonprofit space, and environmental mediation and consensus building. Whether and how such collaboration is structured into processes and procedures depends on outcomes from an organizational review now two years underway. One key question centers on whether collaboration should be more formalized, given that it has worked well casually.

Bickert Family Foundation

Also founded in the middle of the last century, the Bickert Family Foundation presents a more troubled of internal collaboration. According to the Foundation's publications and personnel, the Foundation focuses its major grantmaking in the areas of peace, population, and the environment, "with special emphasis on projects that explore the interconnections between these three categories." While Bickert "actively encourages collaboration between agencies, institutions and/or foundations" for its applicants, it has not invested in the development of any formal mechanisms to enable collaboration among its own personnel and programs.

The central administrative office receives all proposals submitted to the Bickert Family Foundation. Staff unrelated to programs then review them and assign them to the relevant program area. As a result, the staff says that some proposals have been bounced back and forth between program areas because "they don't quite fit squarely into one or another." Rather than altering the process, the staff informally categorizes some proposals as "cross-cutting." According to a senior staff member, this was a "staff attempt at a solution to the problem, but not a particularly successful one."

Although a board-level executive committee for each of the three primary grantmaking areas makes funding approvals, there is not a "cross-cutting" executive committee. As a result, cross-cutting proposals don't have an advocate beyond organizational staff and tend to become orphans. Consequently, the Foundation's ad hoc practice of trying to emphasize interconnections between programs through informal "cross-cutting" practices has "actually turned out to be a disadvantage rather than an advantage."

The senior staff at the Bickert Family Foundation are aware that this Personal Interest Model of internal collaboration contrasts and compromises the Foundation's founding vision and values for interdisciplinary and internal collaboration. With recent changes to the Board of Directors, the Foundation's current informal practices of collaboration will either

give way to more formal procedures or cease altogether, depending on "the level of personal attention that the new members are willing to give it ..."

The Underlying Issue Model

Like the Personal Interest Model, the Underlying Issue Model tends to flourish in small foundations and is generally not embodied in the organizational structure of a foundation, although it may be embedded in its culture. Unlike the Personal Interest Model, collaboration tends to be incorporated into the foundation's modus operandi rather than simply enacted by its staff. As such, this form of internal collaboration is often more planned but is somewhat less deliberate.

The central point of collaboration in this model is not financial or administrative, but informational and intellectual. Collaboration involves individual programs or personal projects, not organizational learning and collective vision. Collaboration occurs primarily through exchanges that are part of the foundation's overall mission and the staff's daily work. Nevertheless, collaboration depends more on informal processes than formal procedures or structures. Collaboration is not an opportunity seized on a project-by-project basis, but an ingrained practice that informs, coordinates, and unites the various activities and different areas within (and sometimes beyond) the walls of a foundation.

The Reimner Foundation

The mission of the small, private Reimner Foundation, founded in the middle of the last century, is to "develop its community by supporting capable, community-based nonprofit organizations that serve all people in the region." The Reimner Foundation organizes its work among six general grantmaking program areas (e.g., arts and humanities, community service, health and mental health, law and justice, etc.) and four nonprofit advancement activities, such as management assistance, technology support, and capacity building. It

has also sponsored two distinct initiatives to build the strength of community-based nonprofit organizations and to build networks among them.

According to one senior staff person, the Reimner Foundation has a "traditional organizational structure, with several specific program areas and each program officer having his or her own bailiwick." However, according to the same staffer, "There is a lot of flexibility in the structure and a lot of cross-talk despite the structure because the underlying, unifying theme in everything that the foundation does is about how to strengthen the nonprofit sector." He explained that while the organization may seem segmented from the outside, it is very connected on the inside. The organization's internal connectivity is fostered by a culture of communication and a common purpose that promotes "constant cross-program discussion" and is strengthened by information-sharing mechanisms such as roundtables and learning circles. These forums are designed to build knowledge and skills in the nonprofit sector through ongoing learning experiences and peer-to-peer mentoring networks, as well as connect the work of foundation staff. "It is all about collaboration, inside and out," said one staff member.

The Health for Life Foundation

The Health for Life Foundation (THLF) emerged from a conversion of an HMO from nonprofit to for-profit status in the 1990s. In the last decade, the Foundation has evolved through three distinct generations and strategies of grantmaking. The first generation was a "must-spend" strategy, implemented immediately after the conversion. In the mid-1990s, THLF grantmaking morphed into a "multi-year initiative" strategy, by which 70% of its total giving went to five long-term projects (each five to 10 years in scope). The remaining 30% was channeled through five priority areas and a substantial Special Projects Fund. In the late 1990s, just as the second generation's five-year projects were expiring, a new executive vice president and several new board members sowed the seeds of the Foundation's next

grantmaking strategy by looking ex-post-facto for "cross-over learning opportunities" within each project. From the ensuing 18-month discovery process, a third generation of "responsive" grantmaking was developed and implemented in July 2000, with the first grants awarded in December 2001.

This current grantmaking strategy is based on three principles: (1) Stay with a fairly limited number of initiatives; (2) Use very minimal guidelines for the Foundation's priority areas; and (3) Establish cross-cutting coherence across the priority areas. With these principles in mind, THLF's strategy addresses eight program areas, which include issues from the environment to mental health, violence prevention to teenage pregnancy, and aging, to the Special Projects Fund. Five common cross-cutting themes link the eight areas: underserved populations, youth, sustainability, public policy, and leadership. The Foundation's thematic coherence is enhanced by the constant "cross-program exchanges" during formal staff meetings and retreats, as well as informal staff networking and site visits. As one staff member stated, "there is much more incentive to talk to each other than in the initiative days when the job of grant-makers was more narrowly focused and [they] did not need to learn from one another."

Staff and project evaluation processes at THLF also reinforce The Underlying Issue Model Although there are not yet "specific measures of collaboration" in staff performance reviews, "informal consideration is given... in the narrative section of a staff's evaluation. Futhermore, program directors are now encouraged to do some informal project evaluation and to present results at board meetings. According to a senior staff member, "This is not only an excellent way to get evaluation done, it is an even better way for staff to do collaborative cross-learning."

Stonewater Foundation

The Stonewater Foundation comprises a third iteration of the Underlying Issue Model. In 2001, the Foundation appointed its new president and CEO, who brought lessons learned

from working in some of the country's largest foundations. He immediately set to framing and focusing the work of the Foundation through the wide-angle lens of social and economic justice. According to him, "this reorganization is my pet project ... to transcend the issues so that the insight as well as the money of one program will be used in conjunction with that of another."

In contrast to establishing a separate "interaction" initiative or fund for collaboration as other, larger foundations had done, the Foundation's new president used common, overarching ideas to produce "inter-reactions" across all programs. Unlike the previous two examples, this adaptation of the Underlying Issue Model involves coordinating funds as well as communicating information. All proposals are prepared with attention to the overarching theme, and collectively paid by several or all of the programs. In the period of transition to this new model, 20-30% of the projects granted involved the "resources as well as the expertise" of multiple programs. For example, a recent proposal to counter the deleterious effects of commercialism schools touched several of the Foundation's programs.

In this model, programs and people within foundations tend to be more united in their objectives, rather than divided by their issues. Underlying Issue projects have greater potential to rise to high levels of coherence and funding, rather than fall through the cracks between programs and people, as is common in the Personal Interest Model.

The Secondary Engagement Model

The Secondary Engagement Model is the first in our typology where collaboration is incorporated into the organizational structure of a foundation. However, while internal collaboration of this type is often a principal feature of the foundation's mission, it is generally not a core function of its work. At best, it's as a complementary objective or, at worst, a subsidiary task to the staff's primary roles and responsibilities within core program areas. This is the critical distinction from following the models addressed in this research.

In this model, collaboration is usually implemented as a special initiative. It tends to be inter-programmatic in span and to occur via extra-programmatic committees and assignments above and beyond the staff's primary roles and responsibilities. While often initiated by senior leadership, collaboration is not always financially or structurally supported at the executive level. As a consequence it is often not actively practiced by staff. The objectives of collaboration seem based on a vision of organizational integration; however, the objects of collaboration seem limited to joint grantmaking schemes and cross-cutting themes. The secondary Engagement model is exemplified by the Cogen Group Foundation and the Kasteroff Elsinore Foundation.

Cogen Group Foundation

The Cogen Group Foundation was established in the first half of the 20th century around a handful of distinct program areas, whose number and specialization grew throughout the century. Cogen reorganized in the mid-1990s around four central themes, (technology, leadership, diversity, and community development) that cut across the five program areas. The Foundation designed the critical themes to link these program areas, which range from health, to youth and education, to philanthropy and volunteerism, to regional development. Directors hoped these "cross-cutting themes" would increase the Foundation's coherence and efficiency by enabling different programs to benefit from each other's knowledge and experiences along these common dimensions.

To encourage collaboration, the Foundation required staff from each of the five different program areas to sit on one or more of the four "cross-cutting theme" committees and allocated pools of money for each of these initial committees to manage. However, the new committees just functioned as add-ons, subdividing the foundations' grantmaking rather than linking program areas. As a result, the Foundation decided within the first five years of the experiment to remove the pools of money from committee control, transforming them

from “grant-making bodies” into “learning nodes.” According to one senior staff member, “the bulk of the organization’s grantmaking had actually become more ‘siloized’ with the initial committees, where the intent was to make it more integrated.”

Cogen relieved these committees of their financial levers, but not their workloads. As one staff described the situation, “these committees with limited power are manned by grant-making and administrative staff with little time, given the work-related pressures and priorities of their program assignments.” With this model of internal collaboration, the Foundation had formally linked program areas at the cost of “some frustration and much fatigue due to the extra burdens of work.”

In addition to cross-cutting theme committees, Cogen implemented a “cross-programming work” initiative that purported to develop a “special opportunity for programming.” To date, only one initiative has been successfully designed, developed and delivered.

The difference between the committee initiative and the cross-programming work initiative runs deeper than the semantics of titles or the sources of funds. Senior staff say that, unlike the committees, the initiative receives personal and financial support from above and is therefore interpreted as a priority at all levels of the Foundation. Cogen also tried a second cross-programming work initiative that, unlike the first, was a “pay-to-play” rather than a “paid-to-play” version.[5] Like the unfunded committees, this effort soon shriveled under the pressures of turf wars and extra work demands.

5 “Pay-to-play” refers to a form of co-programming or co-funding that requires program areas to contribute funding from their own budgets to support the operational and/or grantmaking expenses of collaborative activities. “Paid-to-play” refers to an alternative form, where program areas can actually offset the costs of a project by collaborating with other programs.

Kastorff Elsinore Foundation

Created at the turn of the 20th century, (Kastorff Elsinore Foundation) illustrates a different version of The Secondary Engagement Model. In fiscal year 2000-2001, the president of the Foundation advanced new strategies to support special individual programs and a special opportunities fund, in addition to four core program areas. In a public paper, the president described the special opportunities fund as a "vehicle for making grants outside the regular program areas and for encouraging cross-program collaboration." Unfortunately, despite the Foundation's public information and professional reputation, Kastorff Elsinore exemplifies the problems more than the promise of the Secondary Engagement Model. Some interdisciplinary initiatives funded under the Foundation's special opportunities fund fall outside the regular program areas, but do not really require cross-programmatic collaboration. One senior staff member said that there is generally just "some informal discussion between programs on the front end, but not formal collaboration on the financial end."

The organization of staff schedules explains the difference between the collaborative programming that was planned and what actually occured. First, the Foundation acquired several new staff that needed to quickly learn to manage and operate the four core program areas, which left little time for cross-disciplinary or cross-program initiatives. Second, the Foundation staffed the cross-program collaboration through a committee structure, without taking into account the additional time constraints and the heavy workload of its program staff.

In short, like the Cogen Group Foundation, The secondary Engagement Model encumbered rather than empowered the Kastorff Elsinore Foundation.

The Team Player Model

In previous models, collaboration was embroidered onto traditional foundation arrangements, rather than mapped with a complete foundation re-structuring. By contrast, the Team Player Model necessitates a large degree of restructuring. The team becomes the fundamental structural and cultural unit of the organization in place of the program area or department.

Collaboration in the Team Player Model usually results from an executive decision and strategic review. The foundation considers collaboration central to core processes and procedures, and to the staff's primary roles and responsibilities. It does not add or detract from the functions or operations of the foundation, it modifies them. The focus of collaboration is not a single project, a special opportunity, or even a specific theme, but synthesized development and delivery of one or more of the foundation's products or services. The model's objectives are far more linear than previously described models. The foundation seeks more efficient and strategically effective grantmaking through exchanging information, coordinating ideas, and co-mingling investments via teams organized within and between programs. Teams assume more tasks than programs do, incorporating both function-based services and content-oriented skills. Demostrated in the collaborative infrastructures of the Jasper Van der Plum Foundation, the Angelina Foundation and the Fourth Quadrant Foundation.

Jasper Van der Plum Foundation

We found the first of three variations on this model in the Community Development Program (CDP) at the Jasper Van der Plum Foundation.[6] Within the CDP, grantmaking focuses on issues ranging from neighborhood development and public education to mental health and early education, as well as selected research topics. The CDP was first restruc-

6 Because the approach to internal collaboration is so different between each of the Van Der Plum Foundation's large grantmaking programs, the programs were considered separately as organizations unto themselves in this study. And, as one senior staff member stated, the CDP program "is our *grand experiment* with collaboration at this point; there is no move afoot at the moment in the second program to go in this direction."

tured in the late 1990s, when the Foundation's President addressed the problem of multiplicitous compartmentalization by merging program areas into two large program-area collectives. More recently, the CDP's Vice President began to restructure each program areas as well, to reduce in attempt to compartmentalization and to detangle the complexities of the problems that CDP addresses. The Vice President of CDP said that when she arrived, she found a "typical foundation structure within just the program itself, with six program areas and very rigid walls between them." The bi-compartmentalization had created barriers rather than incentives to collaboration. Staff interactions were so minimal that "if and when you called someone up to look outside their box, to work collaboratively with another area, it was seen as a bizarre and begrudging assignment." In addition, collaboration was considered an intellectual or cultural issue, as there was "no clear, common theoretical, philosophical backbone to what people were doing and thinking."

The CDP Vice President said that the Foundation is implementing parallel tracks of organizational reform designed to: (1) "Blast apart" the program areas and create strategy groups (e.g., health, education) as the primary unit of work; (2) Increase productive staff interaction by requiring each staff member to work on multiple strategy groups; (3) Enhance coherence and collaboration by contextualizing the strategy groups within the programs with "a clear, overarching intellectual framework of underlying themes and constructs."

Jasper Van der Plum Foundation adapted the Team Player Model to replace rigid silos between the CDP program areas with fluid rotation and mixed staff assignments across strategy groups. The model is still in between the "advanced planning" and the "early implementation" stages, so it is too early to assess its success. Also, the foundation has not fully developed or disclosed details of how this model will be deployed (e.g., Will proposals be made to strategy groups? Will strategy groups make grants?). Given that, it is difficult to describe the specifics of its form or effects. Nevertheless, the staff is reportedly "happy to be rid of the artificial divisions between both the program areas and the functional services," and sees these new group collaborations as an "important part of the job."

Angelina Foundation

The Angelina Foundation offers a slightly more advanced but still relatively untested example of the Team Player Model . Established in the earlier part of the 20th century as a national philanthropy, the Foundation is today one of the largest U.S. foundations focused on a single sector. The Angelina Foundation has always considered itself an interdisciplinary organization served by a small staff with diverse skills. However, their growing total assets now require a larger staff. The Foundation quickly realized that the natural and informal modes of collaboration that had thrived for so long in the intimate environment were not efficiently scalable. They conducted an organizational analysis and then restructured from "one large cross-cutting team that housed various cross-cutting efforts to multiple teams that represent various cross-cutting efforts."

In the last three years, the Foundation reorganized into two overlapping, but collective groups, guided by one mission. This is similar to the Jasper Van der Plum Foundation's restructuring, but with two variations. First, the two program collectives at Angelina address issues in the same sector. Second, the Angelina Foundation has created eleven Program Management teams that operate within and across each of these two program groups. Each team addresses a topical domain related to the Foundation's mission and develops both specific goals for the domain and its own 10-15 year strategic plan. While the groups are mission-bound and relatively stable, the teams can respond flexibly and proactively to the problems within the that the Angelina Foundation and to the needs of its grantees.

Each team contains eight to ten people with different disciplinary backgrounds and organizational skills, enlisting members from both the two program-content groups, and from the Research & Evaluation and Communication Support groups. Team members are selected based on where staff interests and skills intersect. This model is encouraged by senior management and fosters collaboration within the teams, among the teams and between each

group. Staff members rotate between teams (most are on two or three teams), on a foundation-wide rather than program-wide scale, as was seen in CDP at Jasper Van der Plum. As one staff member reported, the organization is "a complex series of simple matrices."

The teams at the Angelina Foundation have core grantmaking responsibilities and capacities. The Office of Proposal Management receives proposals, then deploys them to the Program Management Teams using internal project management procedures and information management systems. (There is some discussion underway about making the teams' role in the grantmaking process more externally transparent.) Each team receives a target range of resources, and then calculates how it will allocate them across different projects. As part of the Foundation's programmatic investment procedure, the program executive group then reviews and determines each team's budget. In addition to its "pipeline budget," each team can pull additional monies to support a collaborative initiative from a separate "pot of community funds."

Unlike the committees portrayed in both examples of the Secondary Engagement Model, the Team Player Model fosters groups that are, as one senior staff member at the Angelina Foundation described them, the "primary levers of the organizational schemata" and the "key line - structures in the grantmaking process." Even the Performance Evaluation System includes new Team Player Model measures. As one staff member concluded, "collaboration is culturally rooted, financially supported, institutionally valued and soon, perhaps, personally rewarded."

Fourth Quadrant Foundation

In the early years of the 20th century, the Fourth Quadrant Foundation (4QF) operated like a traditional and some would say "technocratic", philanthropy. In 1996, disenchanted with the low impact of its 39 distinct programs, the Foundation began looking for more efficient ways to focus its attentions and to use its resources. With the arrival of new board members

and executive leadership, the time for restructuring was opportune. According to the Foundation's Annual Report, "the Board put everything on the table to be examined – our core purpose, our values, the role we play, the way we operate." In the late 1990s, at the culmination of a year-long strategic planning and information gathering process, the Foundation announced a new mission and three new programs.

4QF had until the late 1990's focused all its resources on helping communities in its region to reduce poverty. The three new programs were all designed to create partnerships with communities around long-term goals rather than to respond to requests from individual institutions for short-term funds. In addition, 4QF reconfigured its internal operations as a grantmaking entity, or rather, as a "non-grantmaking entity" according to the Foundation's President. As a result, the Foundation stopped accepting requests for grants and positioned itself as a knowledge-broker for its constituents. 4QF also eliminated individual Program Officer positions, reorganizing the staff into teams that are focused on the philanthropic goal (decreasing poverty) rather than the process (grantmaking).

Ultimately, the Foundation plans to create seven teams, each working intensively for up to 10 years in one of the 16 targeted communities. Currently three communities and three teams are in place. Each team consists of four to five people, including a support person, a grants administrator, a community liaison (team leader), and one or two experience-based, non-discipline-specific assistant community liaisons. Although staff members are assigned to multiple teams, assignments are staggered across project life cycles so that each team can work as a consistent and coherent unit within its community. With this new team structure, 4QF staff members no longer spend time responding to grant proposals and managing portfolios individually. Now, according to senior staff, "nothing is done individually; the team even does fieldwork together."

The Foundation's President said that the "strength of 4QF is built on a diversity of people with a common mission." This strength is cultivated not only by the internal collaboration of

team members, but also their external collaboration with other teams inside, (as well as other partners outside,) the Foundation. For example, every month the teams prepare and present a report addressing questions about, and aspects of, the work that the each team is conducting within its community. These reports are shared with the whole foundation because, as the Foundation President says, "it's as much about what we learn from each other as what we do." To facilitate shared learning, 4QF is developing an "internal learning tool," or team manual to help each team learn from the experiences of other teams.

4QF still bases rewards on individual performance, but is making a conscious effort to migrate toward a " team-based reward system to support its team-based work structure." For example, teams and not individuals, might earn bonuses. It is too early for anecdotal evidence about how this organizational change and collaboration has improved the Foundation's grantmaking performance. However, 4QF is chronicling its process and outcomes, using detailed organizational ethnographic methods. As the President of 4QF stated, "When the time comes, the information will be there."

The Catalytic Converter Model

As with the Secondary Engagement Model and the Team Player Model, internal collaboration under the Catalytic Converter Model has been formally although perhaps not institutionalized, into the organization's structure and culture. However, unlike the Secondary Engagement Model, this model invites, but does not require, staff to participate in cross-cutting initiatives. And, unlike the Team Player Model, the problem - not the team - is the core unit of collaboration.

Collaboration in this model is always issue-driven, but may also be staff-initiated or executive-inspired. The long-term goal of collaboration is to improve both the processes and performance of grantmaking, but is often more immediately concerned with identifying effective grantmaking strategies rather than establishing efficient grantmaking entities.

Collaboration is not achieved through the decentralization of program initiatives and/or the reorganization of staff. Instead it is accomplished through a centralization of efforts and a concentration of experts. While the object of collaboration is generally a grantmaking project, the objective is to change organizational processes; develop new ideas, tools, and approaches around a project, and then to diffuse them back to the programs. This model is exemplified by the Raoul Jones Foundation and The Cecil and Ida Graham Endowment.

Raoul Jones Foundation

Established mid-20th century, the Raoul Jones Foundation today is a multi-dimensional, multi-layered organization, with seven very distinct and disparate program areas (e.g., science, families, arts, etc.), and 36 subprograms with about 80 program staff. Historically, the Foundation's subprograms allowed a certain amount of "opportunistic or informal collaboration" between programs. In one example, two of the seven program areas worked together on an after-school arts education sub-program. About four years ago, to encourage more of this type of programming, the Foundation set aside funds in an extra-judicial budget that programs could leverage if they wanted to co-fund a project that fell outside the focus of their own area. Several new collaborations resulted, but generally only across two program areas per project.

In the beginning of the 21st century, acknowledging "a growing commitment to look for linkages across program areas," the Foundation created the Cross-Cutting Initiatives Program (CCIP). According to the Foundation's President and CEO, the program was "a natural step in [the Foundation's] ongoing efforts to integrate and strengthen programs." One of the Foundation's vice presidents said that, "there are many opportunities to increase [the Foundation's] effectiveness and learn through grantmaking that targets areas of overlap and connection among our programs. The CCIP will address those areas in the hope that we can have increased impact."

The director of the CCIP said he has tried to use this program to "make cross-cutting grantmaking at the Raoul Jones Foundation more affirmative than reactive" and "to illustrate different cross-program grantmaking possibilities." To determine how best to accomplish these goals, he interviewed approximately half of the Foundation's program staff to help identify the proper initiatives to pursue. This inquiry process spawned five projects that tie together the work of various Foundation programs and subprograms. Rather than proposal-centered or thematically-focused, these initiatives are all "place-based" and "principle-driven." In each case, both the project tools and content are used "to build more efficient collaborations and design more effective and 'synergized' grantmaking strategies." Examples of such projects include, in brief: A knowledge-mapping exercise of the needs and services in the four geographic communities surrounding the Foundation; A scenario planning exercise on civil society in one country; And, in another, a "hedge" grantmaking initiative to expand current family planning and reproductive health programs to include energy education and training components. While the Foundation hopes that each project will yield dividends, the primary objective is to demonstrate the added value of the "systems" approach to grantmaking. The CCIP budget funds the current cross-cutting activities (approximately $3 million); one of the participating programs are required to commit their own monies. The foundation does not expect or require program staff to undertake cross-cutting work, and they are not rewarded or evaluated for their collaborative performance. The CCIP at Raoul Jones is a work in progress. While internal collaboration has been given a safe place to grow, it has not yet taken root in the organization. But if interest and investment is any measure, it is a big success. As the Director of the program observed, "it is very hard to get meetings in this organization, but I have been able to get all the... people in on the scenario planning... people have been willing and excited to engage." The key to this success may be that this adaptation of the Catalytic Converter Model is about, as the Program Director explained, "meeting people where they are, rather than mandating where

they go." Staff can convert the work of others to the context of their own grantmaking.

The Cecil and Ida Graham Endowment

Organized around four thematic programs related to health, culture, communities, and security, the central mission uniting the work of the Cecil and Ida Graham Endowment is its commitment to helping poor and excluded people. The Foundation also has a formal Cross-Theme Program (CTP) that promotes and strengthens the connections between these thematic programs.

The mission and the work of the Endowment are articulated to treat problems in their totality. As one staff member stated, "the people that the Cecil and Ida Graham Endowment serve do not live in stovepipes, so the solutions to their problems should not be developed in stovepipes." This is not to say that the Endowment's programs never work independently of one another, but only to emphasize that no work is ever undertaken without questioning the comprehensiveness of its approach. One staff member claimed that this holistic approach has always been part of the Endowment's philosophy, but might not have become an integral component of its practice without the CTP.

The CTP tackles problems that connect the staff and the constituencies of the Endowment's different themes and discovers opportunities that strengthen the linkages among them. Cross-thematic efforts have taken on different forms and centered on different topics such as: biotechnology, intellectual property rights, trade and development, environmental governance, and science and policy.

For example, the Biotechnology Initiative brought together multiple parties to discuss applications in agricultural sciences. The Endowment believed that one thematic program area alone could not convene and manage the vastly different specialties required. The CTP provided the forum and finances to catalyze a cross-thematic treatment. In all such initiatives, the CTP's role as catalyst expires once the project is developed and transitioned to an

appropriate thematic program area. A related example is the Intellectual Property Rights Initiative. The Biotechnology Initiative prompted considerable discussion about intellectual property rights among colleagues in different program areas, so CTP established a cross-thematic team to address Intellectual Property challenges independantly from Biotechnical issues. Each one of the Endowment's programs is devoted to a different aspect of the issue, developed and coordinated through the team.

Like Raoul Jones Foundation, the Cecil and Ida Graham Endowment model requires different programs to contribute expert staff to work on cross-thematic initiatives, rather than having internal collaboration built directly into general daily structures and relationships. Staff is not yet rewarded for performance within these initiatives, but collaborative work activities are considered to be their primary obligation and collaborative skills are considered in the evaluation process. As one staff reported, "collaboration is an essential element, not an extra burden [because] we are not *persuaded* to collaborate, we are *motivated* to collaborate."

Unlike the Cross-Cutting Initiatives Program at the Raoul Jones Foundation, which has a "paid-to-play" component, the Cross-Thematic Program at the Cecil and Ida Graham Endowment incorporates the "pay-to-play" component within the Catalytic Converter Model. At Raoul Jones, the money comes solely from the CCIP budget, and is only used to fund the operational costs of these collaborations and of the CCIP itself; no grants are made by the CCIP [MG4]. At the Endowment, operational monies are also budgeted by the CTP, but funds for grants are contributed by the participating themes. Finally, similar to the Raoul Jones Foundation's extra-judicial budget, the Cecil and Ida Graham Endowment has created a new Vice President's Fund this year to further stimulate foundation-wide collaboration.

The Integrated Systems Model

The Integrated Systems Model differs from all of the other models we have seen[MG5]. It is about establishing trans-programmatic systems. Distinct from approaches that imply at the least an inclusion, or at the most an interaction of a broad range of program-based or team-based components, a trans-programmatic systems approach to collaboration *requires* their integration.

In this model, collaboration occurs through a common set of axioms and interactions by which the entire organization operates. Collaboration does not depend on any particular mechanism but is instead driven by purpose. This model does not reorganize people into teams, reunite them through projects, coordinate work along underlying themes, pool monies for common projects, or unite parts to inform the whole. Collaboration *is* the whole; framing a problem, agreeing on a strategy, and implementing a solution is performed by the symbiotic and synergistic system. Thus, this model incorporates elements of different paradigms to improve upon the efficiency and the effectiveness of grantmaking.

Two foundations from our sample fit these parameters: The Athdar Foundation and The Zocalo Trust. Since the former was just created and the latter recently re-created, we cannot yet say much about the effect this model has on their process or strategic performance. Nevertheless, because the Integrated Systems Model is innovative by comparison to the others, these foundations' ideas are a valuable addition to the conversation.

Athdar Foundation

The Athdar Foundation, created in at the beginning of the 21st century by a multibillion-dollar contribution from private individuals, has implemented four programs but only initiated grants in one. As with traditionally structured foundations, these program areas are staffed by program officers and assistants. To combat the silos that commonly evolve around program areas, however, the Foundation plans to focus on the "sweet spots"

between them. This does not mean just lining up cross-programmatic initiatives, but rather looking for converging points of intersection within the organization. An example of the type of "sweet spot" project that the Foundation might identify, cultivate, and develop at the intersection of the Foundation's four program areas could be water contamination and conservation.

To achieve this form of internal collaboration, several interacting features have been designed into the Athdar Foundation, including a judicious selection of projects and shared administration of grants, an innovative use of information technologies, and a carefully composed staff. Instead of an RFP process, the Athdar Foundation identifies the projects on which it will work through a thorough "investigations process." Similar to a study group, this process brings together "the brains out there" to collaborate on an issue and vet the viability of possible projects.

For example, a recent investigations process brought scientists, environmentalists, fishermen, conservationists and others together to discuss what projects could be developed and outcomes achieved using specific species tracking methods as an indicator of the earth's state of biodiversity. It is still not certain that the Athdar Foundation will implement a project on specific species tracking, but the knowledge created and exchanged has itself furthered the work of the Foundation. In cases when a project is identified through this process, it is posted on the Foundation's Intranet for anyone to raise questions. Once a week the system sends out a grants log with a timetable, and "everyone knows that it is part of their job to look at the log." Only if and when staff questions are resolved does the project get approved. As one senior staff member described it, "the process is about treating everyone on staff as a citizen." To retain that sense of collaborative citizenship, the Foundation plans to cap its staff at about 100 and to continue to use the investigations process to "buy the specific expertise that is already out there as they need it."

Zocalo Trust

At its inception, the Zocalo Trust was not simply divided into various program areas; it was separated into different organizations - one operating, the other grantmaking. While there was one executive director for both organizations, according to that director (now the organization's Chief Executive Officer), "there was very little interaction between the two." As the organizations' assets increased and the founders' personal wealth expanded, the Foundation decided, at the end of the twentieth century, that it needed new a strategic plan. With the help of a consulting group, the Trust conducted a 10-month strategic planning process, which involved conducting interviews with more than 200 of the Trust's constituents ranging from colleagues and friends to grantees. One of the primary points of discussion during this process was whether Trust could best satisfy "its need for synergy and desire to conserve resources" with its current organizational structure. The trustees quickly decided there had to be greater organizational overlap and learning between the grantmaking and operational components of the Trust.

Based on the feedback garnered during the process, the Trust merged the two organizations and organized the new structure around four core services: communications, information technology, financial, knowledge management and evaluation. These service address three issues, or program areas, related to homelessness, substance abuse, and poverty. The Trust's core services and program areas are overseen by a "cabinet", which includes the Trust's Chief Executive Officer, Chief Operations Officer, the National Program Director, Managing Program Director and the Communications Director.[MG6] There is no middle management. While, "admittedly the integration or interconnectedness between operations and grantmaking is still not entirely clear and has not been implemented yet," says one of the organization's officers, integration and interconnectedness are being encouraged and supported in several ways, including managerially, strategically, and technologically.

From the managerial perspective, the core services all report to the organization's Chief Operations Officer, functioning like "internal consultants across the organization to advise both operations and grantmaking in service of the programs and to set up things like financial metrics and outcome measures that unite the work of the two." The organization's Chief Executive Officer stated that the "[Chief Operations Officer's] job is integration." Integration is even expressed in the Trust's mission statement, which "emphasizes the importance of working collaboratively to inform philanthropic practices." Whereas the Trust uses these managerial tactics to integrate operational services and program areas, it strives, from a strategic perspective, to connect "its three program areas by funding at the intersection of the programs rather than within one versus another."

The Foundation facilitated this objective by creating one pot of money around which all program officers must confer. More essential, according to the Trust's Chief Executive Officer, is the personal relationships that has allowed this arrangement: "Each [program officer] is a subject expert, and even a subject and a function expert when possible, ... but each is also a generalist. We hired very carefully. It is hard to imagine a program posed by one program officer or another that would not overlap with others."

The Trust also supports integration management and intersection funding through activities like regular "joint staff" meetings and monthly whole staff meetings as well as semi-regular "lunch and learn" meetings where people from inside as well as outside the Trust speak on topics relevant to the organization's programming. According to the Trust's Chief Operations Officer, "there appears to be universal [staff] interest in the issues being addressed across the two organizations [operational and grantmaking], so it is not hard to encourage participation in the things like the 'lunch and learn.' The only thing mandatory are the staff meetings, but the rest seem to be happening on voluntary basis."

Similar to the Athdar Foundation, the Zocalo Trust implemented an Intranet to enhance

the Trust's integration of organizational staff and program areas. However, the Zocalo Trust adopted this tool with greater "active and interactive uses in mind" than did the Athdar Foundation. For example, the Trust uses its Intranet to create of virtual "communities of practice" or groups whose members regularly engage in sharing and learning based on common interests. There are currently about 10 established communities of practice at Zocalo, organized around themes that were selected on the basis of how they relate to the Trust's areas of work. For each community of practice, there is a "knowledge coordinator" who oversees the online communication between community members, all of whom share a common interest in the community's topical focus (e.g., technology and children) but may represent internal different program areas and even different external organizations.
The Trust also uses its Intranet to boost individual and team collaboration teams through knowledge management and sharing tools. For example, once a week the Trust's three knowledge managers work with the Chief Knowledge and Evaluation Officer to research, prepare and disseminate weekly updates via the Intranet. The Chief Knowledge and Evaluation Officer said, "The attention that is being given to the issue of collaboration at the Zocalo Trust is encompassed in the very fact that my position and this service even exists. ... In the philanthropic sector, this is very unique. In the corporate world, knowledge management has been widely used to increase efficiency; in the social change world, there is a different bottom line. The goal is to increase impact. This new organizational design and the accompanying tools are designed for greater grantmaking impact as well as better working relations."

The Athdar Foundation and the Zocalo Trust have organized for change from the inside out. Although it is too early to judge how well the pieces of the puzzle will fit together, these two organizations have at least designed the prototype of internal collaboration for philanthropy in the Network Era. The CEO at Zocalo Trust said, "This is a model that [we] are tweaking. We need to see how it works, how it evolves, what it needs." For example, both

foundations have "built collaboration into job descriptions," but neither offer performance rewards for collaboration. To advance an Integrated Systems Model design, both the Athdar Foundation and the Zocalo Trust have established vital connections between their internal collaborations and their interorganizational alliances. The end of this frontier and the beginning of the next will be the interface between these networks.

TABLE 1 – Characteristics of Internal Collaboration Models

Characteristics	Personal Interest Model	Underlying Issue Model	Secondary Engagement Model	Team Player Model	Catalytic Converter Model	Integrated Systems Model
Bases of Collaboration	Individual Initiative	Organizational Philosophy	Organizational Structure	Organizational Structure & Culture	Organizational Structure & Culture	Organizational Structure & Culture
Mechanisms of Collaboration	Informal Practices and Processes	Informal Practices and Processes	Informal and Formal Practices and Processes	Formal Practices and Processes	Formal Practices and Processes	Formal Practices and Processes
Roles and Responsibilities for Collaboration	Voluntary	Secondary	Secondary	Primary	Expert	Taken-for-Granted
Manifestations of Collaboration	Ad hoc Project -by-Project Basis	Planned Project or Program Agendas	Special Program or Project Initiatives	Structured Program or Project Partnerships	Centralized Cross-Programmatic Problems	Integrated Organizational Purposes
Objects of Collaboration [8]	Finances (and Information)	Information (and Finances)	Information, Staff Time (and Finances)	Information, Staff Time, Function and Content, (and Finances)	Information, Interest (Staff Time, Function and Content, and Finances)	Information, Interest Staff Time, Function and Content, and Finances
Foci of Collaboration	Joint Grantmaking Projects	Joint Grantmaking Projects/ Cross-Cutting Themes	Cross-Cutting Themes	Intra-Organizational Strategies	Intra-Organizational Strategies	Trans-Programmatic Systems
Core Units of Collaboration	Individuals	Staff	Committees	Team	Problem	Organization

8 Parentheses indicate possible not necessary characteristic.
10 Sara Kiesler, Pamela Hinds, and Suzanne Weisband, 1998, "Multidisciplinary Collaboration. Proposal to KDIKN Competition" (Washington, DC: National Science Foundation).

The Conditions of Internal Collaboration

While the foundations in our sample yielded a range of models for internal collaboration, they shared a common goal of trading (A) traditional 20th century silos of activity for (B) innovative 21st century networks of interactivity that improve the efficiency and effectiveness of their grantmaking strategies.

A	B
Fragmentation of organizational pieces	Alignment of organizational processes
Departmental Programs	Team Projects
Narrowly defined jobs/ positions	Comprehensively designed jobs/positions
"Individual foot race"	"Team triathlon"
Constrained "silos"	Distributed Networks
Isolation	Interaction
Control and Competition	Communication and Cooperation
Information monopoly	Information panoply
Upward mobility	Horizontal flexibility

Various contextual factors influenced the models that emerged among the foundations in our sample. As they moved from A (silo) to B (network), these variables impacted the forms and effects of each model.

Intervening variables/ interfering factors

Given the size of our sample and the nature of the data we gathered for this report, we cannot be exhaustive but aim to be provocative by identifying the more prevalent variables. Below, we've summarized relevant variables affecting the form and effects of different internal collaboration models as a starting point for deeper exploration. We also offer practical "take-aways" for controlling these factors in one's favor.

Organizational Size

On one hand, some responses and observations suggest that internal collaboration is better suited to smaller foundations. The trust and familiarity of the environment, as compared to larger foundations, is more conducive to informal collaboration. Other responses and observations indicate that collaboration is better served within larger foundations, where there is often a broader range of skills and a greater diversity of knowledge available.
A staff member from the Phrankel Foundation, where the Personal Interest Model of collaboration evolved "thanks to [its] small, intimate size," explained the paradox of organizational size. "The idea of collaboration is enticing. But, with Phrankel's small size and small staff, while the logistical difficulties might be less than in a bigger foundation, [the difficulties] also probably outweigh the benefits. [With our] range of skills and perspectives...is there really enough diversity for the trouble? Yet, if we grow for the sake of diversity, we will lose all the informal but essential collaboration that happens because of our size."

The paradox is resolvable. The Angelina Foundation and the Zocalo Trust faced the question of "scalable collaboration" as they have grown. To deal with the issue, they both sponsored and supported the introduction of "teams" and/or "communities of practice" within the organization as a way to retain the size advantages of a small organization while gaining the diversity benefits of a larger one.

Teams or communities of practices should not be seen as additional program units reorganized under a different name or as additional subunits inserted within existing areas. They should be seen as "mixed meso-units", which cut across the foundation's various program areas and operate outside of their traditional structural boundaries. As such, these meso-units of 8-15 people – with like interests but diverse knowledge bases – actually allow for the mixing of qualitatively (different) rather than just quantitatively (more) skills and perspectives found within a larger organization, without sacrificing the trust and intimacy of a smaller foundation.

Take-away 1: Internal collaboration depends on individuals perceiving themselves as part of an intimate, personal environment, while being connected to a diverse, professional network.

Take-away 2: Internal collaboration should be designed and developed around new organizational units, not driven into or dropped onto old structures and agendas.

Organizational Diversity

A larger, more diverse set of staff skills and perspectives can increase a foundation's potential to treat complex problems in a holistic manner, while at the same time increasing the functional distance between individuals. Functional distance is a concept that represents the degree of difficulty for personal interaction.[9] Our data support other research that suggests functional distance between departments, divisions, disciplines, etc., that use different vocabularies, concepts, beliefs, methods, and modes of inquiry is the most significant factor affecting different models of internal collaboration.[10]

The steps to better collaboration have been easier in foundations with program areas that are completely aligned (like the Health for Life Foundation, which focuses solely on health) or closely aligned (like Reimner, a twin-sector foundation that focuses on youth development and education). It is more difficult in foundations where program areas are not so aligned and the paths not so clear, such as a multi-sector foundation that focuses on environmental science and peace studies. The Raoul Jones Foundation, for instance, required a "tour guide" position to forge the path between the Foundation's disparate programs. Still, the result has been routes into promising and previously uncharted territory.

Foundations cannot achieve effective diversity by simply hiring one of everything and hop-

9 Sara Kiesler, Pamela Hinds, and Suzanne Weisband, 1998, "Multidisciplinary Collaboration. Proposal to KDIKN Competition" (Washington, DC: National Science Foundation).

10 Caruso and Rhoten, April 2001, ‹ http://www.hybridvigor.net/interdis/pubs/index.html› [accessed May 19, 2002].

ing they interact. Interaction-or even better, integration-depends on a common commitment to an articulated goal that unites mutual interests and demands particular skills and perspectives. At the Bickert Family Foundation, for example, collaborative projects tend to be informally initiated by an individual, as is characteristic of the Personal Interest Model. By contrast, at the Stonewater Foundation, which employs the Underlying Issue Model, collaborative programs tend to be formally designed by the group, enhancing the potential for higher levels of coherence and funding.

The Secondary Engagement Model, like the Underlying Issue Model, seeks "ties that bind" approach. However, it takes more than a simple collective vision or an extra committee to maintain these local points of interaction and focal points of integration. Whether underlying issues or cross-cutting themes convene diverse individuals and program areas, work related to these issues and themes must be strategically incorporated into staff responsibilities, not just added on. The Fourth Quadrant Foundation and the Zocalo Trust promise to be a still more viable and valuable type of strategic incorporation.

Take-away 3: Internal collaboration should select and collect diverse skills and perspectives, but develop mutual interests and focus on specific targets.

Take-away 4: Internal collaboration should be systemically built into the organization's processes, not left to ad hoc practices.

Organizational Authority

The forms and effects of internal collaboration also depend on the structure of hierarchy and the nature of leadership. As obvious as that may sound, it is surprising how many of those interviewed overlooked its importance. Foundations that have experience with flat hierarchies, rules and directives, joint problem-solving procedures, and group decision-

making structures have greater potential for incorporating integrated models of internal collaboration that are more formal in procedure, broader in span, and grander in objective. Compare, for example, the Personal Interest Model found in the Bickert Family Foundation with the Integrated Systems Model identified in the Zocalo Trust. At the Bickert Family Foundation, all of the authority lies with the Board, in isolation from the program staff. "Collaboration goes in all directions" at the Zocalo Trust according to one staff member. Sophisticated and successful models of internal collaboration require caretakers or leaders who have a strategic vision to connect vertically diverse skills and perspectives as well as managerial talent to horizontally integrate various functions and tasks. It requires leaders who may not have all the skills and perspectives, or perform all the tasks and functions themselves, but who gather and inspire those who do. In short, collaboration requires leaders who, as Warren Bennis says in *Organizing Genius*, "may not be able to play Mozart's First Violin Concerto [themselves], but they have a profound understanding of the work and can create the environment needed to realize it."[11]

The importance of this factor is seen most clearly in the troubles of the Secondary Engagement Model, particularly at the Cogen Group, where staff did not buy into the cross-cutting committee work because, in the words of one senior staff, "there was no one empowering them, no one encouraging them to stay integrated. Internal collaboration has been as much a leadership challenge as it has been an intellectual challenge."

Take-away 5: Internal collaboration should be carefully led and mutually managed.

Take-away 6: Internal collaboration depends on leaders who can empower individuals to power the group.

11 Caruso and Rhoten, April 2001, ‹ http://www.hybridvigor.net/interdis/pubs/index.html› [accessed May 19, 2002].

Organizational Employment

Staff with more experience working in collaborative or team environments are more likely to serve naturally as "bridges," or ties between individuals and program areas, and are more likely to see the demands of internal collaboration as a part of their primary roles and responsibilities. The greater the percentage of staff with collaborative experience, the greater the likelihood that collaboration will be formally incorporated into the organization. A high proportion of staff with both specialized expertise and generalized knowledge also helps systematize collaboration. Good results also depend on the current (not just past) quality of staff work and their work life.

One promising example is the Community Development Program at the Jasper Van der Plum Foundation. According to its Vice President, "it is one thing to have good staff, and it is another thing to know how to employ good staff." She is less interested in "anyone's specific content expertise than in their ability to connect it to more general policy and action." Also, she said, "it is less about financial reward and more about personal motivation and social accountability ... increasing the joy of working by expanding the understanding of how one's work contributes to and impacts the work of the whole." This motivation reflects Warren Bennis's observation that collaboration requires people who "believe that they are doing something vital, even holy ... [who] know that they are doing something monumental, something worthy of their best selves."12

That said, personal reward alone is insufficient to ensure collaboration in the philanthropic community. Individuals often choose to work in foundations to serve the public good, but they are still people - not saints. They can and may also be encouraged by financial and professional rewards, or discouraged by their absence. That was the case at the Cogen Group Foundation and Kastorff Elsinore Foundation, where staff felt the burdens of collaborative work outweighed its benefits or compensations.

12 Warren Bennis, 1997, Organizing Genius: The Secrets of Creative Collaboration (Cambridge, MA: Perseus Publishing), p. 200.

All of the foundations identified "reward" as a critical condition of internal collaboration but viewed it as one of the hardest conditions to accomplish. While old reward systems are based on measures of individual success and achievement, new reward systems must be framed around group strategies and accomplishments. To be successful, these new reward systems must be able to motivate real, not rhetorical, collaboration and create meaningful incentives for substantive, not superfluous, integration. This will require new time scales and other metrics to measure staff processes and products.

> **Take-away 8:** Internal collaboration must be motivated by the knowledge from past experience and the imperative of current commitment, and can be maintained by the promise of future reward.

Organizational Infrastructure

Finally, internal collaboration requires appropriate physical, financial, and technological infrastructure. This does not mean a foundation must acquire the most elaborate building, the largest endowment, or the most advanced technologies. A foundation must be, as one executive told us, "nimble, opportunistic, and flexible" with the infrastructure it has.

Not one of the foundations in our sample has fully established a dedicated infrastructure for internal collaboration. Again, the Athdar Foundation and the Zocalo Trust seem promising. Both incorporated a simple organizational Intranet that, according to one of the Athdar executive staff members, "allows flexible or fluid, but also encourages instructive and informed grantmaking." Likewise, both organizations adopted the concept of more fluid "funding pools" over rigid financial structures. But, perhaps the most innovative form proposed is the Athdar's "study group" infrastructure. When implemented, the organization could create and re-create its networks of people, skills, and perspectives in a manner that allows grantmaking to respond to the problem and the project at hand, rather than simply

house the resources in place.

As one foundation director stated, "it is the advantage of the Hollywood model of the 21st century versus the industrial model of the 20th," where resources are designed and dedicated on the basis of the project and its finite needs, not based on an organization and its infinite structure.

> **Take-away 9:** The infrastructure of an organization should encourage new models of internal collaboration, and should not inhibit them with old forms of organizational division.

Conclusion

Integrated, collaborative networks can be powerful levers for creating more efficient philanthropic organizations and for inspiring more effective giving. Given the data uncovered here, creating such networks is easier to conceive than to achieve. What is fascinating is how obvious some of the conclusions are: that committed leadership is key; that rewards are essential, and that an organization's infrastructure both drives and reflects the desired outcome. Yet, in philanthropy, as in the world at large, such efforts are struggling to be born.

Again, as Barabási tells us in *Linked*:

> ... We have taken apart the universe and have no idea of how to put it back together. After spending trillions of research dollars to disassemble nature in the last century, we are just now acknowledging that we have no clue how to continue - except to take it apart further. ... [However], today, we increasingly recognize that nothing happens in isolation. Most events and phenomena are connected, caused by, and interacting with a huge number of other pieces of a complex universal puzzle. We

> have come to see that we live in a small world, where everything is linked to every thing else. ... We have come to grasp the importance of networks. ... They open up a novel perspective on the interconnected world around us, indicating that networks will dominate the new century to a much greater degree than most people are yet ready to acknowledge. They will drive the fundamental questions that form our view of the world in the coming era.[13]

With acceptance of the world's complexity as the first step towards the discovery and design of holistic solutions, the philanthropic community, like the rest of the world, has an unprecedented opportunity to change its processes and products to achieve maximum impact. Humans do not often happily embrace change, nor do organizations transform themselves overnight. The results of this study, as preliminary as they may be, are a strong and positive indicator of the possibilities and potential for such change. We are convinced that further study and more iterative practice will provide the proof.

Acknowledgments

The author and the Hybrid Vigor Institute would like to thank and acknowledge Vincent Stehle and the Surdna Foundation for their vision and their support of this pioneering work; our advisors for their insights; and our interview subjects for their trust and candor. We would like to acknowledge Mayumi Grigsby, Alexa Culwell, Carolyn Clark and Helen Doyle for preliminary editing, and we would like to convey our special gratitude to Kerry Tremain for his expert review of the final document.

13 Bennis, 1997, p. 204.

14 Barabási, 2002, pp. 6-7.

Collaboration Diagnostic

Instructions: Complete each of the following 7 statements by selecting the ending that best describes your organization. Once you have finished all 7 statements, tally up how many of your answers correspond with the letter (a), (b), (c), (d), (e), (f) or (NA). You can then do two things. First, based on what letter the majority of your answers represent, see which model of collaboration your organization most closely resembles, and then read about that model on the attached Collaboration Model Description sheet. Second, because your organization may be a mix of different models, you can use the Collaboration Characteristics vs. Model Matrix to see which model fits your organization most closely on a dimension-by-dimension basis.

Working definition of collaboration: Relationships that provide opportunities for mutual benefit and results beyond what any single individual, discipline, program, team or other sub-organizational unit of work could realize alone.

In my organization, if and when collaboration takes place, it does so because ...

An individual initiates collaboration	☐	(a)
The organizational culture encourages collaboration	☐	(b)
The organizational structure enables collaboration	☐	(c)
The organizational structure requires collaboration	☐	(d)
The organizational culture and structure facilitate collaboration	☐	(e)
The organizational culture and structure necessitate collaboration	☐	(f)
Not applicable	☐	(NA)

In my organization, collaboration is something that happens ...

Informally	☐	(a) (b)
Formally	☐	(d) (e) (f)
Both informally and formally	☐	(c)
Not applicable	☐	(NA)

Amidst all the different things that the staff in my organization have to do, collaboration is considered ...

A voluntary or elective part of the job

☐ (a)

A secondary responsibility around tasks that involve comparatively little effort

☐ (b)

A secondary responsibility but related to tasks that demand a lot of time and energy

☐ (c)

A primary responsibility among the various tasks included in one's work

☐ (d)

The responsibility only of those people specifically assigned to the task of ensuring and/or managing collaboration ☐ (e)
A naturally inherent and taken-for-granted part of all the tasks in one's job ☐ (f)
Not applicable ☐ (NA)

If I were to point at examples of where and when collaboration happens in my organization, I would probably point to ...

Small *ad hoc* projects that "just come up" ☐ (a)
Small short-term projects that have no permanence or longevity but that are clearly part of the organizational agenda ☐ (b)
"Special initiatives" that draw together staff from different programs over an extended period of time ☐ (c)
Ongoing partnerships between programs that are intended to be more stable fixtures of the organizational structure ☐ (d)
Cross-programmatic undertakings identified and coordinated by a "specific" program or person whose primary role is collaboration ☐ (e)
Most if not all of the day-to-day operations of the organization ... everything is collaborative ☐ (f)
Not applicable ☐ (NA)

When staff in my organization collaborate, they do so by sharing primarily ...

Financing and administration ☐ (a)
General information, ideas, data, contacts, etc ☐ (b)
Staff time, positions, assignments ☐ (c)
Cross-functional expertise, technical specialties, specialized content knowledge ☐ (d)
Personal commitment to working together on common problems followed by some mix of the above (finances, expertise, etc) ☐ (e)
Personal commitment to working together on common problems plus ALL of the above (finances, expertise, etc) ☐ (f)
Not applicable ☐ (NA)

If I had to select the most identifiable upshot of collaboration in my organization, I would say it is basically or mostly ...

Joint grantmaking projects ☐ (a) (b)
Cross-cutting themes ☐ (b) (c)
Intra-organizational strategies and/or cross-programmatic structures ☐ (d) (e)
Holistic organizational systems and/or trans-programmatic purposes ☐ (f)
Not applicable ☐ (NA)

Finally, in my opinion, the principal unit of collaboration in my organization is ...

Individual people	☐	(a)
Staff positions	☐	(b)
Committees or subcommittees	☐	(c)
Teams	☐	(d)
Themes, issues, or problems	☐	(e)
The organization	☐	(f)
Not applicable	☐	(NA)

Which model of intraorganizational collaboration does your organization look most like ...

Three or more of my answers correspond to **(a)** ...
My organization is most like the **'Personal Interest'** model.
Three or more of my answers correspond to **(b)** ...
My organization is most like the **'Underlying Issue'** model.
Three or more of my answers correspond to **(c)** ...
My organization is most like the **'Secondary Engagement'** model.
Three or more of my answers correspond to **(d)** ...
My organization is most like the **'Team Player'** model.
Three or more of my answers correspond to **(e)** ...
My organization is most like the **'Catalytic Converter'** model.
Three or more of my answers correspond to **(f)** ...
My organization is most like the **'Integrated Systems'** model.
Three or more of my answers correspond to **(NA)** ...
I am not sure what model my organization fits into.

Collaboration Model Descriptions

The 'Personal Interest' Model. This first model in our typology refers to a form of collaboration that has not been formally incorporated into the traditional structure of the foundation. In this model, collaboration depends on personal interests and interactions between staff, rather than on organizational processes and procedures. For example, a staff member may champion a proposal or project, either in an opportunistic quest for monies or in a serendipitous search for partners. The object as well as the objective of this type of collaboration is generally reactive, project-based joint-grantmaking activities rather than proactive strategic planning actions.

The 'Underlying Issue' Model. Like Personal Interest, the Underlying Issue model tends to flourish in small foundations and is generally not embodied in the organizational structure of a foundation. Unlike Personal Interest, collaboration tends to be explicitly incorporated into the foundation's philosophy rather than simply enacted by its staff. The central purpose of collaboration centers on organizational learning and collective vision, not individual programs or personal projects. Despite its informality, Underlying Issue projects have greater potential to rise to higher levels of coherence and funding, instead of falling through the cracks between programs and people as is common to Personal Interest.

The 'Secondary Engagement' Model. This model is the first in the typology where collaboration is formally incorporated into the organizational structure of a foundation. However, despite some level of structural accommodation, it is generally not construed as a core function of the organization's work. Rather it is often seen, at best, as a complementary objective or, at worst, a subsidiary task to staff primary roles and responsibilities within a foundation's core program areas. This is a critical distinction. While often initiated at the inspiration of senior management, collaboration is not always financially or structurally supported at the executive level. As a consequence of these two characteristics, collaboration is often not actively practiced by staff.

The 'Team Player' Model. In previous models, collaboration has been mapped onto traditional foundation arrangements. By contrast, the Team Player model requires a certain degree of restructuring on the part of the foundation, as the team replaces the program area and/or department as the fundamental structural and cultural unit of the organization. Collaboration here is usually the by-product of an executive decision and/or a strategic planning review. The objectives of this model are far more linear than those we have seen above: first, to become a more efficient grantmaking entity through the exchange of information, the coordination of ideas, and the co-mingling of investments via teams within and between programs; and second — a consequence of the first — is to become a more effective grantmaker.

The 'Catalytic Converter' Model As with Secondary Engagement and Team Player models, collaboration under the Catalytic Converter model has been formally incorporated into the organization's structure and culture. Collaboration is always problem-driven, but may also be staff-initiated or executive-inspired. The long-term goal of collaboration is to improve both the processes and performance of grantmaking, but is often more immediately concerned with using collaboration to identify effective grantmaking strategies rather than improve efficiency. Collaboration in this model is accomplished through a centralization of efforts and a concentration of experts. It is about developing new ideas, tools, and approaches around a project, and then diffusing them back to the programs.

The 'Integrated Systems' Model. The last model in our typology is the Integrated Systems model. Distinct from the other approaches, this is a "systems" approach to collaboration that requires integration. In this model, collaboration occurs through and is enabled by a common set of axioms and interactions by which the entire organization operates, driven by common purpose. Unlike previous models, collaboration is about the whole. It is about framing a problem, agreeing on a strategy, and implementing a solution as a symbiotic and synergistic system. The goal of collaboration is to simultaneously increase both the efficiency and the effectiveness of the organization's grantmaking.

Collaboration Characteristics vs. Model Matrix

CHARACTERISTICS/ MODEL	Personal Interest Model	Underlying Issue Model	Secondary Engagement Model	Team Player Model	Catalytic Converter Model	Integrated Systems Model
Bases of Collaboration	Individual Initiative	Organizational Culture	Organizational Structure (collaboration is optional)	Organizational Structure (collaboration is required)	Organizational Structure & Culture (collaboration is optional)	Organizational Structure & Culture (collaboration is required)
Mechanisms of Collaboration	Informal Practices & Processes	Informal Practices & Processes	Informal & Formal Practices & Processes	Formal Practices & Processes	Formal Practices & Processes	Formal Practices & Processes
Roles and Responsibilities for Collaboration	Voluntary	Secondary	Secondary	Primary	Expert	Taken-for-Granted
Manifestations of Collaboration	*Ad hoc* Project -by-Project Basis	Planned Project or Program Agendas	Special Program or Project Initiatives	Structured Program or Project Partnerships	Centralized Cross-Programmatic Problems	Integrated Organizational Purposes
Objects of Collaboration [1]	Finances (& Information)	Information (& Finances)	Information, Staff Time (& Finances)	Information, Staff Time, Function & Content, (& Finances)	Information, Interest (Staff Time, Function & Content, & Finances)	Information, Interest Staff Time, Function & Content, & Finances
Foci of Collaboration	Joint Grantmaking Projects	Joint Grantmaking Projects/ Cross-Cutting Themes	Cross-Cutting Themes	Intra-Organizational Strategies	Intra-Organizational Strategies	Trans-Programmatic Systems
Core Units of Collaboration	Individuals	Staff	Committees	Teams	Problems	Organization

1 Parentheses indicate possible not necessary characteristic.